

7615



STATE OF UTAH CONTRACT AMENDMENT

AMENDMENT # **One**CONTRACT # **05-9006**

TO BE ATTACHED AND MADE PART OF the specified contract by and between the Utah Department of Transportation

Proc./Statewide
(Referred to as STATE)

And the following entity:

Ennis Paint Inc
(Referred to as CONTRACTOR)

P O Box 671185**Dallas, TX 75267**Contact Person **Annette Metcalf**Phone # **972-878-8661**Fax # **972-875-9038**Vendor Code **91903A** Fed Tax ID **752657523** e-mail address **annette@ennispaint.com**

THE PARTIES AGREE TO AMEND THE CONTRACT AS FOLLOWS:

The CONTRACT PERIOD is amended:

Original Starting Date **6/1/2004**Original Expiration Date **6/1/2007**Amended Expiration Date **12/31/2006**

The TOTAL CONTRACT AMOUNT is amended:

Current Contract Amount **N/C**Amount Added to Amendment **N/C**New Contract Amount Total **N/C**☒ This is a requirements contract.

The contract is amended to read:

See revised attached Attachment C Itemized Price List.

Other changes to the contract include:

EFFECTIVE DATE OF AMENDMENT: **7/20/2006**

All other conditions and terms in the original contract remain the same.

IN WITNESS WHEREOF, the parties sign and cause this contract to be executed.

CONTRACTOR**ENNIS PAINT INC**

Contractor's Signature

8-2-06

Date

Annette Metcalf

Contractor's Name (Print)

Assistant Vice President

Title (Print)

STATE OF UTAH

Tracie Montano, UDOT Procurement Manager

Date

Director, Division of Purchasing

Date

**CONTRACT RECEIVED AND
PROCESSED BY
DIVISION OF FINANCE**

Director, Division of Finance

Date

UDOT Purchasing Agent

Phone #

Fax #

e-mail

Debra Boulton

801-965-4070

801-965-4073

dboulton@utah.gov

Udotcontractamendment9/2005

From: "Don Vermeer" <don@ennispaint.net>
To: "Debra Boulton" <dboulton@utah.gov>
Date: 7/17/2006 8:24:01 PM
Subject: Utah DOT Traffic Paint Contract

Dear Ms. Boulton,

Thank you for the opportunity to discuss the terms of our traffic paint contract #059006. I appreciate your effort to pull all interested parties together to discuss options to keep your pavement marking program healthy and economical.

In lieu of our termination request dated May 25th, 2006 we would be willing to request a price adjustment that would reflect the increased costs associated with this contract. As I explained in our meeting we are only capable of providing documentation for a portion of the increase due in large part to the confidentiality agreements we have in place with some of our vendors. But, we are able to substantiate the increase in part by providing industry trends and we can even be very specific to states in the western United States in the last 6 - 12 months. These are all one year increases in order of letting dates:

35% increase in Nevada
30% increase in Alaska
60% increase in Washington
60% increase in Arizona
59% increase in Oregon

We would like to offer to meet your traffic paint needs for the next 5 month, through December, 2006 of approximately 143,545 gallons. This quantity is based on historical purchases by UDOT. The price will be \$8.28 per gallon for white 984421 and \$7.92 per gallon for yellow 984422 and \$7.29 per gallon for black 984423. This two year increase of approximately 33% (16% annually) comes from these six primary categories of costs associated with the production of your material:

Product Color	White	Yellow	Black
Product Number	984421	984422	984423
Bid Cost	\$6.182	\$5.997	\$5.526
Change in Cost	Increase	Increase	Increase
Resin/Emulsion	34%	34%	34%
Prime Pigments	32%	14%	14%
Extender Pigments	0%	0%	0%
Additives/Cosolvents	40%	41%	39%
Freight/Logistics	50%	50%	50%
Manufacturing/Labor	18%	18%	18%
TOTAL (2-Year Increase)	34%	32%	32%
Current Cost	\$8.28	\$7.92	\$7.29
Average Increase of 16% per year			

Thank you for this opportunity to work with you,

Don Vermeer
VP Sales & Marketing

ATTACHMENT C: ITEMIZED PRICE LIST

White water based traffic paint	\$ <u>8.28/gal</u>
Yellow water based traffic paint	\$ <u>7.92/gal</u>
Black water based traffic paint	\$ <u>7.29/gal</u>